GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4082
ANSWERED ON:14.12.2001
PREFERENCE SHARES TO FOREIGN INVESTORS
NAGMANI

Will the Minister of FINANCE be pleased to state:

(a) whether issue of preference shares to foreign investors are treated as Foreign Direct Investment;

(b) if so, the details thereof;

(c) whether such investment through the preference shares route are being considered for the purposes of sectoral cap on foreign equity;

(d) if so, the details thereof;

(e) whether it is also a fact that such preference shares carries conversion right as well; and

(f) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a) to (f) : The information is being collected and will be laid on the Table of the House.